Before the 1 W [Commonwealth of Massachusetts Department of Telecommunications & Energy Cable Television Division AUG 16 2006 Proposed Amendments to CABLE TELEVISION DIVISION Rules and Regulations Governing the Cable Television Licensing Process -Notice of Public Hearing and Docket No. CTV 06-1 Request for Comments August 16, 2006

COMMENTS & TESTIMONY OF THE TOWN OF SOMERSET

1. Introduction

First, I would like to have it noted in the record that the Somerset Board of Selectmen, as the Issuing Authority, concurs with the comments submitted to the Division by Epstein & August, LLP. In addition, Somerset has some additional thoughts on the Verizon proposal.

Like most communities in Massachusetts, the Town of Somerset has Cable Television Services for its residents. Many hours have been spent by the Board of Selectmen, as the Issuing Authority, and the Cable Advisory Committee making sure that the residents get the best value for the money they spend monthly on Cable TV. As this Division knows, Somerset has requested, and been granted, intervener status on for the last five or six rate hearing involving incumbent provider, Comcast.

The Town of Somerset is extremely concerned that the changes of the Rules and Regulations, as proposed by Verizon, would bring undue pressure upon the part time Board of Selectmen, and the Cable Advisory Committee to make an important decision Without having all of the proper facts and figures, and the ability to properly examine them with in the time frame proposed by Verizon.

It should be noted that our recent <u>renewal</u> Cable Television License with Comcast took over a year and a half to complete. And Somerset, as the negotiations heated up looked into securing a competing cable service in order to get the best possible Cable Service, at the lowest price for subscribers. We were unable to find any company willing to be a second Cable provider for our residents.

Based upon our need to do a community ascertainment survey, and hold public hearings regarding exactly what the current communities needs and desires are at the time of any new Franchise request, we can not possibly see how a 90 period could be a viable timeline for approval or denial of a franchise to Verizon, or any other franchise applicant.

Television License with Comcast would affect or be affected by a change in the Rules and Regulations proposed by Verizon. Somerset, like many Massachusetts communities, has a "Level Playing Field" clause in that License. As one of the negotiators involved in the Somerset Cable Television License, I was concerned about that clause. Comcast

Another concern to the Town of Somerset is new language in our Renewal Cable

assured us that it would protect <u>US</u> should another company request a franchise in Somerset by them having to adhere to the same basic terms as Comcast. Although not fully convinced at the time, we did agree to that clause. Now, however, we feel that should the Division approve the Verizon proposal, it would have the reverse effect and be a potential "take away" by Comcast.

The Town of Somerset also believes that should Verizon's proposal be approved by the Division, and Verizon came to our Community seeking a franchise, our non-profit Public Access Corporation, Somerset Access TV, Inc., could be adversely affected. Currently, Comcast funds our PEG operation through a formula that provides a percentage of Gross Revenue based upon the number of subscribers. Should a Verizon's franchise proposal be approved, unless Verizon was subject to the same rules as Comcast, through the "level playing field" language, subscribers choosing to migrate to Verizon

would cause a drop in PEG funding, which would adversely affect the operation, and the quality of programming produced or provided by Somerset Access TV, Inc., to the

Conversely, should the Division accept and approve the proposed Verizon

Amendments, we are concerned that Comcast will next come before the Division with its own proposed rule changes that would allow it to not have to spend more that 90 days in

negotiating a renewal cable television license with its communities and also avoiding having to fund PEG through some mechanism.

The Town of Somerset is also very concerned about a clause in Verizon's Woburn license, that allows it to cancel the franchise and withdraw from the community in three

years if they do not reach a certain level of subscribers. Coupled with alleged "cherry picking" of neighborhoods in communities, we feel that instead of providing an alternative to Comcast subscribers, Verizon may ultimately cause a reduction in subscriber choice and frustration.

In summing up, the Town of Somerset believes that Verizon is a welcome player in the Cable Television and HSD market, who, if subject to the same Rules and Regulations of the incumbent Cable Television Providers, Comcast, RCN, Time Warner,

will bring more competition from which subscribers can choose, and hopefully save money for those services they want.

Lastly, this hearing may indeed, be a exercise in futility should Congress approve and reconcile the House and Senate versions of Verizon and AT&T proposed Federal

legislation that would take all control of their cable services away from the state and local control it now has. THAT truly would be a major problem for every City and Town in the Commonwealth. One can only believe that Comcast, RCN and Time Warner and all

point every cable subscriber in this country would be short changed.

I thank the Division for this opportunity to bring the concerns of the Town of Somerset forward.

John J. Clorite, Chairman

of Somerset

Cable Advisory Committee